GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:444
ANSWERED ON:25.07.2000
CAPACITY OF PELLET PLANT
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of STEEL be pleased to state:

(a) whether the pellet plant commissioned by Kudremukh Iron Ore Company Limited at Mangalore is running to its capacity;

(b) if so, the details in this regard;

(c) whether the export performance of KIOCL has recorded a steady growth during the last three years;

(d) the plans on the anvil for diversification of production in the related areas; and

(e) the extent to which KIOCL is likely to sustain its operation?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) & (b): Yes, Sir. The capacity utilisation of the pellet plant during the last 3 years is as under :

Year	Capacity Utilisation in Percentage
1999-2000	110
1998-1999	84
1997-1998	97

(c) The export performance of Kudremukh Iron Ore Company Limited (KIOCL) during the past three years has been as follows:

(Quantity in million tonnes) (Value in Rs. Lakhs)

Year	Concentrate		Pellets	
	Quantity	Value	Quantity	Value
1999-2000	2.819	20731	3.235	41348
1998-1999	2.376	18407	2.650	36369
1997-98	3.315	23310	2.830	36081

(d) As a diversification measure, KIOCL, in joint venture with Metallurgical &Engineering Consultants (India) Limited & Metal Scrap Trading Corporation has floated a separate company called M/s. Kudremukh Iron and Steel Company Limited for setting up of a Pig Iron and Ductile Iron Spun Pipe Plant at Mangalore. Construction of thepig iron component of the project has been completed and the commissioning is in progress. KIOCL has also plans to set up a Coke oven Plant at Karwar.

(e) The balance weathered ore reserves available in the existing mine are likely to last for another 6-7 years. With a view to extend the mine life and the operations, the Company has taken a conscious decision to restrict the production of iron ore concentrates to 5.5 million tonnes per annum. Studies are being conducted to establish economic feasibility of mining the primary ore available at the same mine to the extent of 340 million tonnes.